

REPORT
ON
SURVEY OF LABOUR CONDITIONS
IN
TEXTILE MACHINERY AND ACCESSORIES
MANUFACTURING FACTORIES
IN INDIA



LABOUR BUREAU
MINISTRY OF LABOUR AND EMPLOYMENT
GOVERNMENT OF INDIA

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PREFACE

Industrial labour and its problems have been the subject of interest, though varying in degree and extent, ever since India entered the industrial field over a century ago. Today this interest has shifted from prevention of exploitation of labour to providing a fair deal and opportunities for a fuller life to labour. The growing realisation of this approach to problems of labour in India, in the context of present day planned economic development of the country, is provided a sound base by the Surveys that reveal true conditions of labour.

The last detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the long-term strategy for economic and industrial advance recognises the well-being of the working class as an essential factor in the overall stability and progress of the country. The adoption of this policy, in the changed circumstances of the country, has brought about a new awakening in the ranks of labour and afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to appraise their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan and its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries*. This report presents data regarding Textile Machinery and Accessories Manufacturing Factories covered under the scheme during 1961-62.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, seeks to fill the gap in the statistics of labour turnover and absenteeism in the factory industries and provides first-hand information on certain important aspects of labour-management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a survey of this magnitude, it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases, the field staff had almost to build up the required statistics from various sources. This

* The names of 46 industries selected for the Survey are given in the Preface (P iii) of the Report on Survey of Labour Conditions in 146 Factories in India.

naturally imposed a heavy demand on the managements and the Bureau is deeply indebted to them for their whole-hearted co-operation. The co-operation and valuable assistance received from associations of employers and workers, Labour Commissioners as well as Chief Inspectors of Factories and other officials of State Labour Departments is also gratefully acknowledged.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Factories for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the schedule and instructions and offering useful suggestions. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Social Surveys Division, Ministry of Labour and Social Service, U.K., Economics and Research Branch, Department of Labour, Canada and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting this Survey and bringing out the reports on individual industries was ably borne by Shri B.N. Srivastava, Deputy Director, whose experience and application came into full play in this assignment. On various statistical problems arising out of the Survey, the requisite technical advice was provided by other officers at Headquarters. This particular industry report was drafted by Shri Harbans Lal, Assistant Director, who received valuable assistance from Shri Mahesh Chandra, Investigator Grade I. Sarvashri S. P. Gupta and Kanwar Singh, Computers assisted in computation of data. The field investigations were carried out by Sarvashri Prem Chand Agarwal, S. N. P. Yadav, A. K. Mitra, S. M. Shinh, A. S. Parmar, P. Venkataraman, K. C. Agarwal, S. L. Sawhney under the supervision of Sarvashri Harbans Singh, K. Lakshminarayanan, Kirpal Singh and H. G. Gupta. To these all my thanks are due.

The views expressed in this report are not those of the Ministry of Labour and Employment, Government of India.

LABOUR BUREAU, SIMLA.

Dated the 12th March, 1965.

K. C. SEAL

Director

CHAPTER I

INTRODUCTION

1.1. *Origin and Growth of the Industry*

Prior to the Second World War, the Textiles Industry of India was completely dependent for its requirements of machinery and other ancillary parts and accessories on imports, most of which came from the United Kingdom and Japan. It was only in 1946-47 that the manufacture of textile machinery was started in West Bengal by the Textile Machinery Corporation Ltd., which was the first major manufacturing unit in this field. Subsequently, more units were set up but the progress was rather slow. The real growth and expansion of the industry started with the introduction of planned economic development of the country. From then onwards the industry continued to gain strength and stature year after year and made a remarkable progress in a short period. As a result, it has today attained the age of maturity and is in a position to supply any textile mill in the country with more than 70 per cent. of its requirements of capital goods right from the stage of preparatory, spinning, winding, warping, weaving, bleaching, dyeing and printing to final finishing. In quality also the machines produced in India compare favourably with those produced in other countries of the world.

According to the returns received from the States under the Factories Act, 1948, the number of textile machinery factories before the beginning of the First Five Year Plan, (i.e., 1951) was only 111 employing about 6,000 persons. By the end of 1961, the number of factories had risen to 298 and the number of workers employed therein to about 22,000, thus recording an increase of 168.5 per cent. over the 1951 figure in the case of factories and 266.7 per cent. in the working force. The following Statement shows the distribution of textile machinery factories in various States during 1961 and the number of workers employed therein.

STATEMENT 1.1

State-wise Distribution of Textile Machinery and Accessories Factories and Number of Workers Employed Therein During 1961

State	Number of factories	Average daily employment
(i)	(ii)	(iii)
1. Andhra Pradesh	1(0.3)	119(0.5)
2. Gujarat	177(59.4)	4,467(20.7)
3. Kerala	3(1.0)	65(0.3)
4. Madras	21(7.1)	4,851(22.5)
5. Madhya Pradesh	2(0.7)	1,883(8.7)
6. Maharashtra	51(17.1)	5,337(24.7)
7. Mysore	6(2.0)	121(0.6)
8. Punjab	17(5.7)	338(1.6)
9. Rajasthan	2(0.7)	132(0.6)
10. Uttar Pradesh	9(3.0)	323(1.5)
11. West Bengal	9(3.0)	3,944(18.3)
Total ..	298(100.0)	21,580(100.0)

NOTE—The figures shown in brackets are percentages to the respective totals.

Source—Returns received under the Factories Act for the year 1961.

It will be seen from the above Statement that the industry is scattered almost throughout the country and is shared by all the States or Territories except Orissa, Assam, Bihar, Jammu and Kashmir, Tripura, Delhi, Andaman and Nicobar Islands and Manipur. From the point of view of number of factories, the leading position is that of Gujarat followed by Maharashtra, Madras and Punjab. However, judged from the number of workers employed, Maharashtra occupies the top position accounting for nearly 25 per cent. of the total number of workers employed in the industry in the country. Next in the order are Madras, Gujarat and West Bengal.

1.2. *Genesis of the Survey*

The first comprehensive survey of conditions of labour in various industries in India on a country-wide basis was conducted by the Royal Commission on Labour during 1929-31. On the basis of its report and findings, various ameliorative measures were introduced by the Government in the labour field. After a lapse of over a decade, i.e., in 1944, the Government of India appointed another Committee, viz., the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted detailed investigations in 38 industries during 1944-45 and, besides a main report on labour conditions in general, published individual reports on conditions of labour in various industries surveyed by it. These reports provided valuable material for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were enforced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in the conditions of work and wages in various industries. Above all, attainment of Independence by the country in 1947 gave a new status to the working class. With a view to evaluating and assessing the effects of the various measures adopted, the Ministry of Labour and Employment as well as the Planning Commission considered it necessary that fresh comprehensive survey of labour conditions in various industries should be conducted. Such a survey, it was felt, would also help Government in obtaining a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan and the Labour Bureau was entrusted with its execution. At the time the Labour Investigation Committee conducted the enquiry, the Manufacture of Textile Machinery and Accessories Industry was not surveyed as a separate industry by the Committee, presumably because this industry was not an important one at that time. However, since now the industry has developed significantly and employs about 22,000 workers, it was considered desirable to include it in the scope of the present Survey.

1.3. *Scope and Design*

A note† appended to the report gives details relating to the sample design and method of estimation adopted. In view of absence of a complete list of all textile machinery factories in the country, it was decided that the scope of the Survey should be restricted to factories registered under the Factories Act, 1948. The 1959 list of registered factories, which was used as the frame, did not indicate concentration of the textile machinery factories in any particular region or centre. Hence, no stratification by

† Appendix.

regions or centres was attempted. However, since the past experience of the Surveys in other industries had shown that wide variations existed in conditions of work, standard of welfare, amenities, etc., in the units of different size-groups in each industry, it was felt that it would be useful to have separate data for units of different sizes. It was, therefore, decided that for purposes of the Survey factories engaged in the manufacture of textile machinery and accessories should be divided into two size-groups—large and small. For classifying units into large and small size, the stratification point used for the Wage Census conducted by the Bureau in 1958-59 was used. The point used for the Wage Census was arrived at on the basis of a study of optimum allocation and was very near to the average employment. On this basis, all textile machinery factories employing 75 or more workers were treated as large establishments and the rest as small.

As regards the sample size, 25 per cent. of the large size and 12½ per cent. of the small size units were considered to be adequate to yield reliable results. However, in the course of the Wage Census conducted by the Bureau it was noticed that a large number of samples could not be canvassed either because of their changing the line of production or because some of them went out of business before they could be canvassed. In order to safeguard against the possible shrinkage of the sample size due to the above mentioned contingencies, the sample size was enlarged in the light of the Wage Census experience and on the basis of a study of closures for the past few years as revealed by the annual list of registered textile machinery factories. The sampling fraction, ultimately adopted was 27.3 per cent. for the large factories and 15 per cent. for small factories. The following Statement shows the number of textile machinery and accessories factories together with the number of workers employed therein (a) in the frame, (b) in the sample, and (c) samples actually covered.

STATEMENT 1.2

Number of Textile Machinery and Accessories Factories and Persons Employed Therein in the Frame and As Covered by the Survey

Size	In the Frame 1959		In the sample selected		In the sample ultimately covered	
	Number of factories	Number of workers employed	Number of factories	Number of workers employed	Number of factories	Number of workers employed
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
(a) Large Factories ..	22	12,515	6 (27.3)	2,917 (23.3)	5 (22.7)	3,819 (22.5)
(b) Small Factories .	193	3,976	29 (15.0)	627 (15.8)	24 (12.4)	538 (13.5)
All Factories ..	215	16,491	35 (16.3)	3,544 (21.5)	29 (13.5)	3,357 (20.4)

NOTE—Figures in brackets are percentages to respective total in the frame.

It would be seen from the figures given in the above Statement 1.2 that the Survey finally covered 13.5 per cent. of textile machinery and accessories factories and 20.4 per cent. of the workers employed therein. Since only those factories came in the sample as featured in the frame and as it was not

possible to take account of new factories which came into being during the period of the Survey, the information given in this report should be treated to relate to conditions in the factories which were in existence during the period to which the frame related (i.e., 1959) and which continued to exist at the time of the Survey.

The data for the Survey were collected by the Bureau's field staff by personal visits to the sampled establishments. With a view to testing the schedule* and instructions prepared for the Survey as also to impart training to the field staff, a pilot enquiry was conducted in September and October, 1959. On the basis of the experience gained in the pilot enquiry the schedule and instructions were suitably revised. The field enquiry was launched in July, 1961, and the Survey was completed in August, 1962.

However, so far as this industry is concerned all the sample units were covered during 1961 itself. Hence, the information collected, except where specifically mentioned, should be treated to relate to this period.

*The schedule used for the Survey has been given as Appendix II in the Report on Survey of Labour Conditions in Silk Factories in India.

CHAPTER II

EMPLOYMENT

2.1. *Composition of the Working Force*

In the course of the Survey, data were collected on several aspects of the composition of the working force in the Textile Machinery and Accessories Industry. These related to distribution of workers according to (a) broad occupational groups, (b) men, women and children (c) time-rate and piece-rate method of payment, (d) employment status, and (e) length of service. The information collected is discussed in the following paragraphs.

With a view to ensuring comparability of statistics collected from different sampled establishments, data pertaining to the composition of the working force were collected for a fixed date, i.e., 30th June, 1961. The results of the Survey show that on this date the estimated total number of workers employed in the industry, as a whole, was nearly 26.8 thousand. This figure is higher by about 5,200 when compared with the statistics received under the Factories Act for the year 1961. To a large extent, the difference is due to the fact that whereas the statistics collected under the Survey relate to a fixed point of time, those received under the Factories Act represent average daily employment during the year. Moreover, the former relate to all persons on roll, whether covered under the Factories Act or not whereas the latter relate only to those covered under the Act.

2.2. *Distribution by Broad Occupational Groups*

The following Statement shows the distribution of workers by broad occupational groups, viz., (i) Professional, Technical and Related Personnel, (ii) Administrative, Executive and Managerial Personnel, (iii) Clerical and Related Personnel (including Supervisory), (iv) Production and Related Workers (including Supervisory), and (v) Watch and Ward and Other

STATEMENT 2.1

Estimated Distribution of Workers by Broad Occupational Groups on 30th June, 1961

Size	Estimated number of workers					
	Total	Professional, Technical and Related Personnel	Administrative, Executive and Managerial Personnel	Clerical and Related Personnel (including Supervisory)	Production and Related Workers (including Supervisory)	Watch and Ward and Other Services
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
(a) Large Factories ..	21,384	670 (3.1)	62 (0.3)	1,185 (5.6)	18,606 (87.0)	861 (4.0)
(b) Small Factories ..	5,432	74 (1.4)	81 (1.5)	258 (4.7)	4,878 (89.8)	141 (2.6)
All Factories ..	26,816	744 (2.8)	143 (0.5)	1,443 (5.4)	23,484 (87.6)	1,002 (3.7)

NOTE— (i) Figures in brackets are percentages to the total in col. (ii).

(ii) The figures relate to all workers i.e., those covered as well as not covered under the Factories Act, 1948.

Services. The definitions used for the Survey for the above categories of workers were the same as adopted by the I.L.O. in its "International Standard Classification of Occupations".

The above statistics show that the working force in the industry comprised predominantly "Production and Related Workers", constituting nearly 88 per cent. of the total. Clerical and Related Personnel formed the next important group and accounted for 5.4 per cent. of the total, followed by "Watch and Ward and Other Services" (3.7%) and "Professional, Technical and Related Personnel" (2.8%). The rest were "Administrative, Executive and Managerial Personnel".

The figure 26.8 thousand mentioned above includes persons deemed to be workers and hence covered under the Factories Act, 1948, and also those who were not considered to be workers for purposes of the Act. Data collected under the Survey indicate that the proportion of workers who were not covered under the Factories Act, 1948 was insignificant*. None of these uncovered employees was employed as a production and related worker. They belonged to the groups, "Clerical and Related Workers" (77.8%), "Watch and Ward and Other Services" (15.7%) and "Professional, Technical and Related Personnel" (6.5%). About 89 per cent. of them were found employed in large factories.

2.3. Employment of Women and Children

The Statement 2.2 given below shows the relative employment strength of men, women and children in the industry.

STATEMENT 2.2

*Estimated Proportion of Men, Women and Children in Working Force—
June, 1961*

Size	Estimated number of workers employed			
	Men	Women	Children	Total
(i)	(ii)	(iii)	(iv)	(v)
(a) Large Factories ..	21,353 (99.9)	31 (0.1)	..	21,384
(b) Small Factories ..	5,395 (99.3)	37 (0.7)	..	5,432
All Factories ..	26,748 (99.8)	68 (0.2)	..	26,816

NOTE—Figures in brackets are percentages to col. (v).

It would be noticed from the above Statement that the working force in the industry consisted predominantly of men. Women constituted a negligible proportion of the total working force and child labour was entirely absent. Nearly 56 per cent. of women employed in the industry fell in the group 'Clerical and Related Workers' and were employed as stenographers, typists, clerks and telephone operators. The rest were engaged as production workers and were found doing packing work.

*i.e., only 1.3 per cent of the estimated labour force in the industry in the entire country.

2.4. Time-rated and Piece-rated Workers

The following Statement 2.3 gives the proportion of time-rated and piece-rated production workers employed directly.

STATEMENT 2.3

Estimated Proportion of Time-rated and Piece-rated Production Workers Employment Directly in Textile Machinery and Accessories Industry—June, 1961

	Estimated number of production workers	Time-rated	Piece-rated	Unpaid workers (Apprentices)
	(ii)	(iii)	(iv)	(v)
(a) Large Factories ..	18,566	97.0	1.7	1.3
(b) Small Factories ..	4,878	96.8	3.2	
All Factories ..	23,444	97.0	2.0	1.0

Both the systems of payment were found to be in vogue but the predominant system was payment by time which accounted for 97 per cent. of workers. The proportion of piece-rated employees was higher in small establishments as compared to large ones. Unpaid apprentices were employed in large factories alone.

2.5. Contract Labour

At the time of the Survey, the practice of employing contract labour was found to be existing in only one large factory covered in West Bengal. This factory employed a negligible number* of workers through contractors. Contract labour was found to have been engaged for breaking of scrap materials after casting in the foundry for remelting and recharging. According to the management, contract labour was preferred for these jobs mainly due to economic considerations and also because no supervisory staff was required to look after their work.

2.6. Employment Status

In the course of the Survey, information was collected regarding employment status of production workers employed directly by the managements and covered under the Factories Act and the statistics so collected are presented in Statement 2.4. For purposes of classification of workers into permanent, temporary, probationers, *badli*, casuals, etc., generally the definitions as contained in the Standing Orders framed under the Industrial Employment (Standing Orders) Act, 1946 or some of the State Acts were relied upon. However, since these Acts apply to only those establishments which employ more than a certain number of workers, many of the textile machinery and accessories factories had not framed such Standing Orders. In such cases, reliance had to be placed on the version of the management.

In the country, as a whole, about 61 per cent. of the workers were estimated to be permanent, 17.4 per cent. casual 10.5 per cent. temporary, 8.4 per cent. apprentices, 2.4 per cent. *badli* and the rest were probationers. The proportion of workers enjoying permanent status was higher in large factories as compared to small ones.

* i.e., 0.2 per cent. of the total production workers.

STATEMENT 2.4

Estimated Percentage Distribution of Production Workers Employed Directly by Employment Status—June, 1961

Size	Esti- mated number of produc- tion workers	Percentage distribution of workers					
		Perma- nent	Proba- tioners	Tempo- rary	Badli	Casual	Appren- tices
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
(a) Large Factories ..	18,566	63.9	1.0	6.0	3.0	20.3	5.8
(b) Small Factories ..	4,878	47.2	..	27.6	..	6.4	18.8
All Factories ..	23,444	60.5	0.8	10.5	2.4	17.4	8.4

NOTE—Figures exclude persons employed through contractors or those not covered under the Factories Act.

2.7. Length of Service

In the course of present Survey, statistics relating to the length of service of production and related workers (including supervisor) employed directly by the managements and covered under the Factories Act were collected and the details obtained are given in the following Statement 2.5. Wherever managements maintained any records showing the date of the appointment of their employees (e.g., service cards, leave records etc.) the information was collected from such records, but in their absence the version of the management was taken.

STATEMENT 2.5

Estimated Percentage Distribution of Production Workers Employed Directly According to Length of Service—June, 1961

Size	Estimated number of produc- tion workers employed directly	Percentage of workers with a service of			
		Less than one year	1 or more but less than 5 years	5 or more but less than 10 years	10 years and over
(i)	(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories ..	18,326*	35.3	28.2	23.3	13.2
(b) Small Factories ..	4,878	45.6	47.9	3.9	2.6
All Factories ..	23,204*	37.5	32.4	19.2	10.9

*Excludes 240 unpaid apprentices.

The above figures show that in the industry, as a whole, about 70 per cent. of workers had a service of less than 5 years and only about 11 per cent. had a service of 10 or more years to their credit. One obvious reason

for such a situation seems to be that most of the textile machinery and accessories factories are of recent origin. In a few factories, the management recruited more employees when there was work and later on discharged them. As between establishments in the two size-groups, the proportion of workers with shorter length of service was much higher in small factories. According to the managements of small factories, workers left the jobs of their own as soon as they could secure even slightly better terms or higher wages elsewhere.

2.8. Absenteeism

The data collected in the course of the Survey on absenteeism* relate only to production workers employed directly excluding *badli* and casual employees. The following Statement presents the absenteeism rate in the industry during the period July, 1960 to June, 1961.

STATEMENT 2.6

Estimated Absenteeism Rate† in Textile Machinery and Accessories Industry During July, 1960 to June, 1961

Month (i)	Size			
	Large Factories (ii)	Small Factories (iii)	All Factories (iv)	
1960				
July	11.3	11.9	11.4	
August	10.1	11.3	10.4	
September	10.4	11.2	10.6	
October	11.2	12.1	11.4	
November	10.3	13.3	11.0	
December	9.7	11.7	10.2	
1961				
January	9.6	11.6	10.1	
February	10.4	13.7	11.2	
March	11.3	13.2	11.8	
April	11.6	13.4	12.1	
May	12.9	16.8	13.8	
June	11.4	14.0	12.0	
Average 1960-61	10.9	12.9	11.4	

Taking the industry, as a whole, the absenteeism rate ranged from 10.1 per cent. to 13.8 per cent., the lowest being in the month of January and the highest in May. The average for the period July, 1960 to June, 1961 was 11.4 per cent. Among the factories in different size-groups, the absenteeism rate was higher in small factories as compared to large ones.

Since managements generally did not keep any records of causes of absenteeism, it was not possible to collect any statistical data on absenteeism

*Absenteeism is the failure of a worker to report on the job when he was scheduled to work but does not include absences on account of strikes or lock outs or lay-off. The rate of absenteeism is the percentage of man-days lost due to absence to the total man-days scheduled to work during the month.

†In percentages.

by causes. However, from such general information as could be collected, it appears that the absences in the month of February to June, 1961 were mainly due to social functions or agricultural operations. Absences in the month of July, October and November, 1960 were mostly attributed to sickness, harvesting season and marriages, etc.

None of the small factories visited in the course of the Survey had adopted any special measures to check absenteeism. Some of the large factories had adopted the practice of issuing warnings followed by suspension and dismissals in the case of unauthorised absence.

2.9. Labour Turnover

Data relating to labour turnover were collected for the same period and for the same group of workers (excluding unpaid apprentices and casual workers), for which statistics relating to absenteeism were collected. The following Statement 2.7 contains the details.

STATEMENT 2.7

Estimated Accession and Separation Rates in Textile Machinery and Accessories Factories During July, 1960 to June, 1961

Month	Accession Rate (in percentages)			Separation Rate (in percentages)		
	Large Factories	Small Factories	All Factories	Large Factories	Small Factories	All Factories
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
1960						
July	3.6	4.0	3.7	2.7	7.7	3.8
August	3.2	26.3	8.6	2.2	8.0	3.5
September	3.0	5.6	3.6	3.3	7.1	4.3
October	4.6	6.8	5.2	3.1	6.8	4.0
November	4.6	12.6	6.6	2.7	7.6	3.9
December	3.5	7.6	4.5	2.0	10.1	4.0
1961						
January	4.8	5.6	5.0	3.3	5.6	3.8
February	6.2	7.7	6.6	3.0	6.8	4.0
March	4.4	12.9	6.4	2.4	8.8	3.9
April	2.4	9.8	4.1	4.0	8.7	5.2
May	3.6	10.5	5.2	3.3	10.7	5.0
June	2.0	6.4	3.0	3.7	3.9	3.7
Average 1960-61	3.8	9.6	5.2	3.0	7.6	4.1

The annual accession as well as separation rate in the industry, as a whole, was of the order of about 5 and 4 per cent. respectively. As between the different months, the rate ranged from 3.0 to 8.6 per cent. in the case of accessions and from 3.5 to 5.2 per cent. in the case of separations. Both the accession and separation rates in the industry were higher in small factories as compared to large ones.

In the course of the Survey, an attempt was also made to collect statistics relating to separations by causes. Rarely, any factory maintained any records of causes of separations and hence the data obtained are, more or

less, based on the version of the managements. The information so collected is given in the following Statement 2.8.

STATEMENT 2.8

Estimated Percentage Distribution of Separations by Causes in Textile Machinery and Accessories Industry—July, 1960 to June, 1961

Size		Separation by causes			
		Discharge or dismissals	Quits	Retirement or death	Others
(i)		(ii)	(iii)	(iv)	(v)
(a) Large Factories	..	47.5	50.5	0.2	1.8
(b) Small Factories	..	9.6	90.4	..	..
All Factories	..	30.6	68.3	0.1	1.0

It would be seen from the above Statement that the main reason for separations was 'Quits'* and it alone accounted for about 68 per cent. of the total separations in the industry. Dismissals and discharges accounted for the rest.

2.10. System of Recruitment

At the time of the Survey, different methods of engaging workers were prevalent in the industry but the most popular method was recruitment at the factory gate. Of the total number of workers employed in the industry at the time of the Survey, 37.4 per cent. were found to have been recruited through this method. Another 37 per cent. were recruited through Labour Offices of the factories, 13 per cent. through Interview Boards and nearly 6 per cent. through Departmental heads. The rest were recruited through advertisements, Employment Exchanges, recruiters, etc.

The system of recruiting workers through labour office and departmental heads was in vogue in only one large factory. In this factory, all production workers and some of the clerical staff were recruited through labour office and supervisory and technical personnel through departmental heads. Employment Exchanges were being used by one large and one small sampled factory for recruiting skilled and semi-skilled workers and watch and ward employees. The services of recruiters were availed of by only one small factory.

2.11. Regulation of Employment of *Badli* or Casual Labour

As mentioned earlier, casual and *badli* workers accounted for about 17 and 2 per cent. respectively of the total number of production workers employed directly in the industry. But none of the factories employing *badli* or casual labour had any system of regulating their employment.

2.12. Training and Apprenticeship

At the time of the Survey, about 22 per cent. of the factories in the country had training facilities and nearly 8 per cent. of total production workers were receiving training. As against all the large factories having such schemes, the percentage of small factories providing training facilities was only 12.5.

*"Quits are termination of employments initiated by employees because of acceptance of jobs elsewhere, dissatisfaction, marriage, maternity, ill-health, unauthorised absence, etc."

The occupations in which training was being imparted were generally fitting, turning, drilling, moulding, milling and other machinist trades. Only in one of the large factories there was a regular arrangement for imparting training, others had no systematic arrangements and training was being imparted on an *ad hoc* basis.

Usually, opportunities for receiving training were open to general public. However, in a few factories management insisted on certain educational qualifications, previous experience and age limit. Barring one small and one large factory, all managements were reported to be giving preference to Government nominees.

The period of training varied from factory to factory and occupation to occupation, depending upon the nature of trade and degree of skill required. It ranged between one month and five years. With the exception of one large factory, all others imparting training were found paying some remuneration to trainees. The rates at which payment was being made differed from factory to factory and even within a factory from trade to trade and ranged from Rs. 30 to Rs. 135 per month (consolidated). Arrangements for theoretical courses existed in only one large factory surveyed. Written contracts existed in only two of the large factories either for all trainees or for a few apprentices. With the exception of one large factory, none of the factories providing training facilities guaranteed employment to trainees after the completion of the training period.

CHAPTER III

WAGES AND EARNINGS

3.1. *Wage Revisions*

There has been no standardisation of wages in the Textile Machinery and Accessories Industry on a country-wide basis. The wage structure in the industry at the time of the Survey was found to be generally based on separate or collective bargaining between workers and employers of individual establishments. Consequently, it was found that the rates of wages varied not only from one centre of the industry to another but at times even in different units of the same centre. In the course of the Survey, information was collected in respect of number of wage revisions since 1956 affecting majority of workers in the covered establishments and the results are given in the following Statement.

STATEMENT 3.1

Estimated Percentage of Factories Where There Were Wage Revisions Since 1956

Size	Number of factories*	Estimated percentage of factories where there were wage revisions
(i)	(ii)	(iii)
(a) Large Factories	22	40.0
(b) Small Factories	193	4.2
All Factories	215	7.8

The above figures show that wage revisions were effected only in a very few factories in the industry and the overall percentage of such factories was nearly 8. In all these factories, wage revisions took place only once since 1956. An analysis of revisions according to the method used for effecting them shows that nearly 48 per cent. were effected as a result of Pay Commission's recommendations in public undertakings, 26 per cent. were due to adjudication awards and the rest were attributable to collective agreements between employers and workers.

Since the Bureau had already conducted an Occupational Wage Survey, no attempt was made to collect data for individual occupations but information regarding rates of wages of the lowest-paid workers in each sampled factory was collected. At the time of the Survey, the daily pay of the lowest-paid worker in the industry was found to vary considerably from factory to factory depending upon the area where the factories were located. The consolidated rates of wages ranged from Re. 0.50 per day in Coimbatore to Rs. 4.26 per day in Bombay. However, the majority of workers were getting

*This number does not tally with the number of factories given in Statement 1.1. The difference is due to the fact that only those factories which continued to exist till the time of the Survey were covered.

between Re. 1 to Rs. 3 per day and were mostly employed as *mazdoors*. The workers engaged on better-paid jobs such as shapermen, pantographers, etc., were getting higher rates of pay. Lowest-paid contract workers were found to be receiving Rs. 2 per day only.

3.2. Pay Periods

The following Statement 3.2 shows the distribution of workers according to the periods after which their wages were being settled in the industry.

STATEMENT 3.2

Estimated Percentage Distribution of Workers According to Pay Periods

Size	Monthly	Fortnightly	Weekly
(i)	(ii)	(iii)	(iv)
(a) Large Factories	97.8	..	2.2
(b) Small Factories	86.6	7.8	5.6
All Factories	95.5	1.6	2.9

It would be evident from the above figures that the predominant pay period in the industry was a month which accounted for about 96 per cent. of the total workers. Fortnightly payments were being made in 7.8 per cent. of small factories only, i.e., 1.6 per cent. of all factories in the industry. The rest of the workers in the two size-groups were weekly paid. None of the workers in the sampled factories was paid on daily basis.

3.3. Earnings

In the course of the Survey, data were collected in respect of earnings by broad groups of workers, i.e., (i) all workers (covered under the Factories Act), (ii) all production workers (separately for men, women and children), (iii) lowest-paid production workers employed directly as well as through contractors, (iv) clerical employees, and (v) watch and ward and other related workers. The information so obtained from the sampled establishments is presented in the following Statement 3.3. In order to ensure the comparability of the data, information relating to earnings was collected for one pay-period immediately preceding 30th June, 1961.

STATEMENT 3.3

Estimated Average Daily Earnings of Workers in the Textile Machinery And Accessories Industry During June, 1961

(In Rupees)

Size		All workers*	Production workers			
			Men	Women	Children	All production workers
(i)		(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories	..	6.01	4.95	..	..	4.95
(b) Small Factories	..	3.25	3.00	1.76	..	3.00
All Factories	..	5.44	4.53	1.76	..	4.53

*i.e. workers covered under the Factories Act.

The estimated average daily earnings of all workers in the textile machinery and accessories factories in the country works out to Rs. 5.44 in June, 1961. Considerable disparity existed between the earnings of workers employed in large and small factories.

More or less, similar was the position in regard to earnings of production workers and their average daily earnings in the industry were estimated to be Rs. 4.53. Women were found to be employed as packers in only one small factory and they were being paid Rs. 2 per day. No men were employed as packers. The lowest-paid men in the same factory were also getting Rs. 2 per day.

3.4. Earnings of Lowest-paid Production Workers

The following Statement 3.4 shows the earnings of the lowest-paid production workers.

STATEMENT 3.4

Estimated Average Daily Earnings of Lowest-paid Production Workers in Textile Machinery and Accessories Industry During June, 1961

Size	(In Rupees)								
	Employed directly			Employed through contractors			All lowest-paid workers		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
(a) Large Factories	3.18	..	3.18	2.00	..	2.00	3.18	..	3.18
(b) Small Factories	2.42	1.76	2.41	..	..	..	2.43	1.76	2.41
All Factories	3.06	1.76	3.06	2.00	..	2.00	3.05	1.76	3.05

As in the case of all production workers, here also the earnings of all lowest-paid workers were higher in large factories as compared to small factories being Rs. 3.18 and Rs. 2.41 respectively. For the entire industry they work out to Rs. 3.05.

3.5. Earnings of Clerical and Watch and Ward Staff

Data were also collected concerning earnings of clerical employees and of persons belonging to the group 'Watch and Ward and Other Services'. Details are given in the following Statement.

STATEMENT 3.5

Estimated Average Daily Earnings of Clerical and Watch and Ward Employees During June, 1961

Size	(In Rupees)	
	Clerical and Related Workers	Ward and Other Services
(i)	(ii)	(iii)
(a) Large Factories	8.80	4.55
(b) Small Factories	5.43	2.44
All Factories	8.21	4.21

The average daily earnings of clerical and related employees varied from factory to factory and ranged between Rs. 1.33 and Rs. 10.95 per day, depending upon the area where the factory was located. Everywhere their earnings were higher in large factories as compared to small ones. The overall earnings of this group of employees was higher than those of all workers, production workers and watch and ward staff.

Variations are also reflected in the case of average daily earnings of watch and ward staff and the reasons are the same. The average daily earnings of persons in the group 'Watch and Ward and Other Services' ranged from Rs. 1.74 to Rs. 4.68. It was noticed that the average earnings of this group of employees were higher than those of the lowest-paid production workers but lower than those of all production workers.

3.6. Components of Earnings

Statement 3.6 shows the average daily earnings of all workers by various components.

STATEMENT 3.6

Estimated Average Daily Earnings by Components of All Workers in Textile Machinery and Accessories Industry During June, 1961

(In Rupees)

Size	Basic earnings (basic wage and dearness allowance)	Production/Incentive bonus or pay	Night shift allowance	House rent allowance	Transport allowance	Over-time pay	Other allowances	Total
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
(a) Large Factories	5.43 (90.4)	0.52 (8.6)	..	0.01 (0.2)	0.02 (0.3)	0.03 (0.5)	*	6.01 (100.0)
(b) Small Factories	3.19 (98.2)	..	..	0.01 (0.3)	..	0.05 (1.5)	..	3.25 (100.0)
All Factories ..	4.97 (91.4)	0.41 (7.5)	..	0.01 (0.2)	0.02 (0.4)	0.03 (0.5)	*	5.44 (10.0)

*Indicates that the figure was less than Re. 0.005 per man-day.

NOTE—Figures in brackets are percentages to the total in col. (ix).

3.6.1. Basic Earnings

The term 'basic earnings' includes basic wage and dearness allowance, wherever paid separately, or consolidated wages where no dearness allowance is being paid as a separate component. It was noticed in the course of the Survey that only three of the large factories and one small factory paid a separate dearness allowance to their employees. The percentage of factories paying a separate dearness allowance was thus estimated to be about 10 in the entire industry. In two of these large factories, the dearness allowance was linked to consumer price index number. In all other factories paying a separate dearness allowance, the amounts paid varied according to income groups.

In the country, as a whole, basic earnings of the workers constituted nearly 91 per cent. of the total earnings. Its proportion was higher in small factories (98%) as compared to large factories (90%).

3.6.2. *Production/Incentive Bonus or Pay*

This component formed 7.5 per cent. of the total earnings of workers in the industry, as a whole. The system of paying production or incentive bonus was found to be in vogue in only three large factories. On this basis, the percentage of factories paying production or incentive bonus for the industry, as a whole, is estimated to be about 6. In one of the three factories, the bonus was payable to all those employees who had worked at least for four months in a year and whose names appeared on the roll at the time of payment. The payment was at the rate of 1/12th of basic wages earned during the year. In the remaining two factories, the rates and norms prescribed for payment of bonus varied for different products and even different rates were prescribed for different occupations. One of these factories paid bonus to all production workers without any condition, while in the other its payment was restricted to those workers who had completed one month's service and were drawing basic pay up to Rs. 500 excluding casual workers and apprentices.

3.6.3. *House Rent Allowance*

House rent allowance constituted a negligible proportion (i.e., 0.2%) of the total earnings of all workers in the industry. The practice of paying house rent allowance was found to be existing in one large and one small factory alone, representing 5.8 per cent. of the total factories in the industry, as a whole. In the large factory, house rent was paid only to officers drawing basic pay of Rs. 700 or above on the completion of one month's service. As regards the rate of payment, for a rented house, rent equivalent to 10 per cent. of the pay was to be borne by the officer himself. The balance was reimbursed by the company subject to a maximum limit of 10 per cent. of pay. In the small factory, house rent was admissible to all monthly-rated employees getting basic pay up to Rs. 299 per month and the rate of payment ranged between Rs. 5 and Rs. 12 per month.

3.6.4. *Transport Allowance*

The system of paying any other allowances was almost non-existent covered in the Survey and it constituted 0.4 per cent. of the total earnings. The allowance was admissible to all employees at 15 paise per day.

3.6.5. *Overtime Pay*

The data collected show that overtime pay constituted 0.5 per cent. of the total earnings of all workers in the industry. The system of overtime work was found to be existing in about 12 per cent. of factories in the country.

3.6.6. *Other Allowances*

The system of paying any other allowances was almost non-existent in the industry. Only two sampled units, representing 5.8 per cent. of the total factories in the industry, were found to be paying car allowance, special allowance and uniform allowance to their employees. Car allowance was being paid in a large factory to officers who had their own car. The payment was a matter of discretion with the management and the amount paid as allowance was Rs. 150 per month. The same factory paid special allowance at rates ranging between Rs. 10 and Rs. 15 per month to those workers, who were operating Adrema duplicators or who were put on cyclostyling work. The other factory which was a small one paid a uniform allowance to all workers at the rate of Rs. 7 per year. Since the sums paid on account

of these allowances were insignificant, they have not been reflected in the all-India figures in Statement 3.6.

3.7. Annual Bonus

None of the factories surveyed had any profit-sharing scheme but the system of paying year-end bonus was found to be in vogue in about 13 per cent. of the factories in the industry. Of the factories having annual bonus schemes, nearly 11 per cent. had them on a regular basis and the rest on an *ad hoc* basis. In two-thirds of the factories, the schemes were introduced on the basis of voluntary agreements between workers and employers and in the rest, bonus was paid at the discretion of the employers. In all the factories, bonus was admissible to all workers. The qualifying conditions differed from factory to factory and ranged between 3 months' and 1 year's service. In the case of one-fourth of the factories paying bonus, the rate was one-eighth of basic wages earned during the year, while in others it varied from 15 days' to one month's pay.

3.8. Festival Bonus

The system of paying festival bonus was found to exist in nearly 42 per cent. of the factories in the industry. Everywhere, the schemes were on an *ad hoc* basis and payments were made at the discretion of employers. Barring one factory in West Bengal which was paying festival bonus to only permanent workers on the occasion of 'puja', elsewhere it was given to all employees on the eve of 'Deepavali'. Most of the factories paid bonus to all those employees who were on roll on the day of disbursement, but a few also insisted on completion of certain period of service by the employees. In about half of the factories, the rate of payment was not fixed. In others, it varied from 2 days' wages to one month's earnings. Everywhere, payments were in cash.

3.9. Fines and Deductions

The Survey results show that none of the units visited was imposing any fines on workers. Deductions wherever made were in conformity with the provisions of the Payment of Wages Act. However, prescribed registers for the purpose were being maintained by only 80 per cent. of the large factories or 8.2 per cent. of the total factories in the entire industry.

CHAPTER IV

WORKING CONDITION

4.1. Shifts

The findings of the Survey reveal that about 56 per cent. of the factories in the Textile Machinery and Accessories Industry worked only one shift, 34 per cent. two shifts and only about 10 per cent. three shifts a day. The details are given in the following Statement: --

STATEMENT 4.1

Estimated Percentage Distribution of Textile Machinery and Accessories Factories According to Number of Shifts Worked in 1961

Size		Number of factories	Percentage of factories working			Percentage of factories having night shifts
			One shift	Two shifts	Three shifts	
(i)		(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories	..	22	..	40.0	60.0	60.0
(b) Small Factories	..	193	62.5	33.3	4.2	12.5
All Factories	..	215	56.1	34.0	9.9	17.4

It would be seen from the above Statement that all the large factories surveyed were working either two or three shifts a day and the system of working one shift a day was in vogue only in small factories.

About 17 per cent. of the factories in the country worked night shifts. The proportion of factories working night shifts was much higher in large factories as compared to small ones. Of the factories working night shifts, in about 78 per cent. workers were allowed change over on a regular basis from one shift to another. In about 27 per cent. of them such a change-over, was permitted after a month, while in the rest, workers were changed at the end of each fortnight. The system of providing certain amenities to night shift workers or making some cash payments as compensation for discomforts of night shift existed only in 15 per cent. of the factories working night shifts. This amenity was mainly in the form of free tea. A few had provided shorter hours of work for night shift employees.

4.2. Hours of Work

The Statement 4.2 given on the next page shows the proportion of factories according to the daily hours of work of majority of their workers.

The Survey results show that about 91 per cent. of the factories had prescribed an 8-hour day or a 48-hour week for their workers. The remaining factories worked less than 8 hours a day. Everywhere the hours of work in night shifts were more than 6 and up to 8, but in most of the cases these ranged between 7 and 8.

STATEMENT 4.2

Daily Hours of Work in Textile Machinery and Accessories Factories During 1961

Size	Number of factories	Estimated percentage of factories where					
		Daily hours of work of majority of workers were			Night shift hours were		
		Less than 8	Equal to 8	More than 8	Up to 6	More than 6 but up to 7	More than 7 but up to 8
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
(a) Large Factories ..	22	20.0	80.0	..	..	..	100.0
(b) Small Factories ..	193	4.2	95.8	..	..	66.7	33.3
All Factories ..	215	5.8	94.2	..	..	43.1	56.9

The daily spread-over of hours of work in about 92.5 per cent. of factories ranged between 8 and 9 and in the rest it was more than 9 hours but not more than 10; the duration of rest-interval being half an hour to one hour and more than one hour respectively. Barring 2 per cent. of the factories, nowhere violations were noticed of the provisions of the law in regard to hours of work and rest-interval.

4.3. *Dust and Fumes*

During the Survey, it was noticed that there were certain manufacturing processes which caused considerable amount of dust. Some such processes were moulding, grinding, casting, drilling and sawing of wood. It is estimated that nearly 19 per cent. of the textile machinery and accessories factories in the country had such processes. This percentage comprises 80 per cent. of large factories and about 13 per cent. of small undertakings. While all the large factories took one or other precaution for the protection of workers, none of the concerned small factories had adopted any precautionary measure nor supplied any protective equipment. In the case of large factories, besides isolating dusty processes from others, some of them had also installed general exhaust and/or were using wet method for dust suppression. In about 11 per cent. of the factories in the country having dusty processes, it was noticed that workers tied a piece of cloth round their mouth to guard themselves against the ill-effects of dust. Only in about 11 per cent. of the factories, the house-keeping of the departments having dusty processes was found to be unsatisfactory. The defaulting factories were all large establishments.

The processes which were found to be emitting fumes, vapours or gases were generally welding, cutting, grinding, spray painting and washing of wire in acid. Such processes were noticed in about 41 per cent. of the factories in the industry. All such factories had taken certain precautionary measures such as installation of local exhausts or by isolating the processes from others. The managements of about 70 per cent. of the factories supplied protective equipment such as gas masks, screens, goggles, etc., to their employees.

4.4. *Seats for Workers*

Under the Factories Act, 1948, it is obligatory on the part of the managements to make suitable arrangements for sitting for all such workers as are obliged to work in a standing position so that they may take advantage

of any opportunity for rest which may occur in the course of work. It is estimated that 65.5 per cent of the factories in the country had complied with the above requirement. The percentage of such units was 20 among large factories and 71.4 among small ones. When asked about the reasons for not complying with the provision of the law, the defaulting employers generally contended that workers were required to work on precision machines and hence it was not possible for them to be away from the machines even for a minute without affecting production. A few argued that workers could use other places, e.g., canteen or rest shelters, for the purpose and hence they did not consider it necessary to make special arrangements at work places. A few other pleaded ignorance of the law.

4.5. Conservancy

The Factories Act, 1948, requires every employer to maintain an adequate number of latrines and urinals for the use of workers, separately for men and women. It not only lays down the scale of conservancy arrangements but also provides that they should be adequately lighted, ventilated and maintained in a clean and sanitary condition at all times. The following Statement 4.3 gives details relating to conservancy arrangements found in the industry at the time of the Survey.

STATEMENT 4.3

Conservancy Arrangements in Textile Machinery and Accessories Industry in 1961

Size	Number of factories	Estimated percentage of factories			
		Providing		Where latrines were of	
		Latrines	Urinals	Water borne sewers	Septic tanks
(i)	(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories ..	22	100.0	80.0	20.0	60.0
(b) Small Factories ..	193	95.8	25.0	47.8	34.8
All Factories ..	215	96.3	30.6	44.8	37.5

Size		Estimated percentage of factories					
		Where latrines were of			Providing water taps near lavatory	Where latrines were properly screened	Employing women and having separate arrangements for them*
		Dry type		Other type			
		Bore hole	Pan				
		(vii)	(viii)	(ix)	(x)	(xi)	(xii)
(a) Large Factories ..	20.0	..	..	80.0	80.0	50.0
(b) Small Factories ..	4.3	8.7	4.4	69.6	95.6	100.0	
All Factories ..	6.0	7.8	3.9	70.7	94.0	73.9	

*The percentages relate to factories providing latrines and urinals as also employing women.

Taking the industry, as a whole, about 96 per cent. of the textile machinery and accessories factories had provided latrines. The defaulters in this matter were only small establishments. The type of arrangements made varied considerably. About 82 per cent. of the factories had modern sanitary arrangements in the shape of water borne sewers or septic tanks and rest had provided old types of latrines. Nearly 74 per cent. of the factories employing women had made separate arrangements for them. The compliance with the provision of the law in regard to proper screening of latrines was also found to be quite good inasmuch as in 94 per cent. of the establishments proper arrangements for privacy existed. As regards provision of water taps near latrines, about 29 per cent. of the factories were found to be defaulters.

The position in regard to urinals, however, was not as good. It is estimated that only about 31 per cent. of the factories in the country had provided urinal facilities. The defaulting establishments belonged to both the groups. Barring 16 per cent. of the factories, everywhere else latrines conformed to the prescribed scale.

In most of the factories, permanent structures had been put up for latrines and urinals. The percentage of factories where sanitary conditions were found to be unsatisfactory was 25.

4.6. Leave and Holidays with Pay

Though the law in force in the country requires employers to grant only annual leave (i.e., earned leave) with pay to all their employees, yet either by convention or as a result of agreements or adjudication awards, the system of granting various other types of leave facilities have now come in vogue in various factories. The following Statement 4.4 shows the percentage of factories granting various types of leave with pay in the industry.

STATEMENT 4.4

Estimated Percentage of Textile Machinery and Accessories Factories Granting Various Types of Leave and Holidays with Pay in 1961

Size	Number of factories	Percentage of factories granting			
		Earned leave (i.e., annual leave)	Casual leave	Sick leave	National and festival holidays
(i)	(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories ..	22	100.0	60.0	40.0	100.0
(b) Small Factories ..	193	100.0	20.8	8.3	87.5
All Factories ..	215	100.0	21.8	11.6	88.8

4.6.1. Earned Leave

The practice of granting earned leave with pay existed in all the factories covered in the Survey. However, in about 11 per cent. of the factories, it was reported that workers were actually not granted leave but were paid wages *in lieu* of leave due to them. The defaulting units were all small factories. In regard to period of leave, qualifying conditions and rate of payment, etc., the managements generally followed the provisions of the Factories Act.

With a view to obtaining a picture of the extent of benefit actually enjoyed by workers, statistics were collected about the number of workers who availed of leave during 1960. The following Statement 4.5 shows the estimated average daily number of workers employed in textile machinery and accessories factories in 1960, the number of workers who enjoyed leave and their percentage distribution according to the number of days availed.

STATEMENT 4.5

*Estimated Number of Workers Granted Earned Leave with Pay
During 1960*

Size		Estimated average daily number of workers employed in 1960	Estimated number of workers who enjoyed leave in 1960	Percentage of workers who enjoyed leave to the total employed	Percentage distribution of workers who enjoyed leave by period of leave taken	
					Up to 5 days	6 to 10 days
(i)		(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories	..	16,817	12,112	73.8	7.0	16.1
(b) Small Factories	..	5,055	1,678	33.2	10.1	22.1
All Factories	..	21,872	14,090	64.4	7.3	16.8

Size	Percentage distribution of workers who enjoyed leave by period of leave taken				
	11 to 15 days	16 to 20 days	21 to 25 days	26 to 30 days	Over 30 days
	(vii)	(viii)	(ix)	(x)	(xi)
(a) Large Factories	29.3	27.7	10.4	6.1	3.4
(b) Small Factories	51.6	5.7	4.8	4.4	1.3
All Factories	32.0	25.1	9.7	5.9	3.2

The above figures show that about 64 per cent. of the workers in the industry availed of earned leave with pay during 1960. The proportion of workers who enjoyed leave was higher (74%) in large factories as compared to small factories (i.e., 33%). Of the persons who availed of leave, the largest proportion was of those who took 11 to 15 days' leave (32%), persons taking 16 to 20 days' leave were next in the order (25%).

4.6.2. *Casual Leave*

In addition to paid annual leave, about 25 per cent. of the factories had also a system of granting casual leave with pay. Only in about 6 per cent. of the factories granting such leave, the benefit was available to all employees. In others, it was enjoyed by only some categories of employees, e.g., clerical and supervisory staff, production workers, permanent workers and monthly-rated employees. Some of the factories had prescribed certain conditions of having a minimum period of service (3 to 4 months) before a worker became entitled to casual leave. The number of days allowed in a year varied from one factory to another and generally ranged between 5 and 15 days. Those allowed leave were paid their normal pay for the leave period.

4.6.3. Sick Leave

Wherever the Employees' State Insurance Scheme was in force, workers were entitled to sick leave with cash benefits subject to certain qualifying conditions. However, in those areas where the Scheme was not in force, granting of sick leave with pay was entirely at the discretion of the managements. On this basis it is estimated that about 12 per cent. of the factories in the industry were found granting sick leave with pay to their employees. The proportion of such factories was higher in case of large factories (40%) as compared to small ones (i.e., 8%). In the case of large factories, in about half of them this benefit was allowed to monthly-rated employees only and the period of leave allowed was 7 days in a year. In the remaining factories, the facility was restricted to all those drawing over Rs. 400 per month and who had completed 6 months of service. Such persons were given 10 days' leave in a year on production of a medical certificate. However, the position was different in the case of small factories. In about half of them sick leave was granted upto 7 days in a year to all workers on production of a medical certificate. In the rest, there was no prescribed limit and the number of days allowed depended on the discretion of the management. Every where, the rate of payment was full pay.

4.6.4. National and Festival Holidays

The system of granting national and festival holidays with pay was found to be wide-spread in the industry throughout the country. It is estimated that nearly 89 per cent. of the factories in the country granted such holidays. The number of holidays allowed in a year varied widely and ranged from 1 to 14 days but about three-fourths of the factories granted up to 5 days.

In most of the factories, the holidays were given to all employees but in some the benefit was restricted to permanent workers and office staff alone. The Statement below gives the percentage distribution of factories according to the number of days allowed in a year as paid holidays.

STATEMENT 4.6

National and Festival Holidays with Pay Allowed in Textile Machinery and Accessories Factories in 1961

Size		Number of factories	Estimated percentage of factories granting national and festival holidays	Estimated percentage of factories where the number of days allowed in a year was		
				Up to 5 days	6 to 10 days	11 to 15 days
(i)		(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories	..	22	100.0	40.0	20.0	40.0
(b) Small Factories	..	193	87.5	80.9	19.1	..
All Factories	..	215	88.8	76.2	19.2	4.6

In about 74 per cent. of the factories, no conditions were attached for the grant of such paid holidays. In others, workers could get pay for

the holiday only if they attended work on the preceding or the following day.

4.6.5. *Weekly Off*

The Survey reveals that all the factories throughout the country were complying with the provisions of the law in regard to grant of weekly off to their employees. Since the law does not provide for payment for such off days, it was found that, except in the case of monthly-rated workers, none of the employees were being paid for the off days.

CHAPTER V

WELFARE AND AMENITIES

Welfare activities undertaken by employers and various amenities provided to workers fall under two distinct categories: (a) Obligatory, i.e., those prescribed under the Factories Act, 1948, and (b) Non-obligatory or voluntary, i.e., those which are not statutory but are being provided by employers of their own accord as a moral obligation or in a spirit of benevolence. Details collected during the Survey relating to both the types of facilities are discussed in the following paragraphs.

(a) OBLIGATORY

5.1. *Drinking Water Facilities*

All the units, large as well as small, surveyed in the industry were found to have provided this elementary facility. However, the type of arrangements made varied considerably ranging from such simple arrangements as earthen pitchers or buckets to mechanical coolers. The following Statement 5.1 shows the distribution of textile machinery factories according to the type of arrangements made: -

STATEMENT 5.1

Drinking Water Facility in Textile Machinery and Accessories Factories in 1961

Size	Num- ber of factories	Esti- mated percent- age of units where drinking- water facility existed	Estimated percentage of factories where water was supplied through					Estima- ted per- centage of fac- tories having arrange- ments for cool water in summer
			Refri- gerators/ mechani- cal coolers	Earthen pitchers only	Earthen pitchers, drums and water taps	Hand pumps only	Only taps	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
(a) Large Factories	22	100.0	40.0	..	40.0	..	20.0	80.0
(b) Small Factories	193	100.0	..	70.8	20.8	4.2	4.2	91.7
All Factories	215	100.0	4.1	63.6	22.8	3.7	5.8	90.5

It is estimated that in the industry, as a whole, about 64 per cent. of the factories had only earthen pitchers, about 6 per cent. only taps, about 4 per cent. each hand pumps or mechanical coolers only and the rest had an assortment of various types of arrangements, e.g., earthen pitchers, drums and water taps. Earthen pitchers and hand pumps were found mostly in small factories and only large factories had installed mechanical coolers. Wherever earthen pitchers were provided, they were found to be clean.

The rules framed by the State Governments under the Factories Act, 1948, provide that every factory employing more than 250 workers should supply drinking water cooled by ice or other effective method during certain

specified period of the year. In the course of the Survey it was found that all such factories which were under a statutory obligation to supply cool drinking water to their employees during summer months had complied with the provisions of the law. In addition to these, nearly 92 per cent. of small factories, which were not under any legal compulsion, reported that they also made special arrangements during summer months for the supply of cool water. Thus, it is estimated that the percentage of factories making special arrangements of cool water was about 90. Large factories generally installed mechanical coolers and small factories arranged for earthen pitchers or supplied ice-cooled water.

5.2. *Washing and Bathing Facilities*

In the Textile Machinery and Accessories Industry, the manufacturing processes involve more contact with sand, grease, etc., and as a result washing arrangement is a positive amenity for workers. The managements seem nearly 96 per cent. of the factories had washing facilities. In majority of the to have realised the importance and utility of this amenity for workers as factories providing washing facilities (i.e., 59%), the arrangement was in the form of taps on stand pipes and in about 31 per cent. water was stored in receptacles. In the rest, generally no specific arrangement had been made and workers utilised taps, hand pumps or well water for the purpose. Of the units having washing arrangements, about 86 per cent. supplied some cleansing material also. Of these, about 70 per cent. supplied soap only and in 11 per cent. besides soap, kerosene oil, coconut oil and cotton waste were also supplied. In the remaining factories, only cotton waste, kerosene oil and coconut oil were provided. Nowhere separate arrangement existed for women workers.

It is estimated that about 23 per cent. of the factories in the industry had provided bathing facilities for their workers. The proportion of such factories in the large size-group was much higher (80%) as compared to small ones (17%). Everywhere bath-rooms were reported to be clean. None of the factories employing women had made separate bathing arrangements for them.

Locker facilities were found to be existing in nearly 8 per cent. of the factories in the country.

5.3. *Canteens*

Under the Factories Act, only those establishments which employ more than 250 workers and are specifically ordered to do so, are required to maintain a canteen for the use of the workers. Information collected during the Survey shows that all such factories which came in the sample had complied with the law and had provided canteens. About one-fourth of these canteens were being run by the managements and the rest by contractors. Besides tea, coffee and snacks, which were sold by all, half of them served meals as well. With the exception of canteens run by the managements where items were sold on a "no-profit, no-loss basis" elsewhere the practice was to charge market rates.

In only one-fourth of the canteens run by the managements, Managing Committees had been appointed as required by law. The prices of items sold in these canteens were fixed by the Managing Committees. In the rest, the prices were fixed either by the contractors alone or in consultation with the managements or Works Committees. In none of the canteens run by the contractors, the price lists of the items sold were found to have been displayed. Only the canteens managed by the managements directly were

given subsidy on a regular basis to meet losses, if any. Location and hygienic conditions of the canteens were reported to be satisfactory in only half of them. About 60 per cent. of the canteens had provided proper drinking water facilities. Judging from the proportion of employees patronising the canteens, it was found that they were quite popular in all the units.

5.4. *Rest Shelters*

Rest shelters for taking meals or for use during intervals or waiting periods, etc., are required by law to be provided by only those factories which employ more than 150 workers and do not maintain canteens of the prescribed standards. It is estimated that 80 per cent. of the large factories and about 4 per cent. of small factories or about 12 per cent. of the factories in the industry, as a whole, employed more than 150 workers and thus were under an obligation to maintain rest shelters of the prescribed standards. About three-fourths of the large factories employing more than 150 workers had canteens of the prescribed standards and hence were free not to maintain rest shelters. All others had duly complied with the provisions of the law. None of the small factories which were under a statutory obligation had done so and were, therefore, violating the law. Thus, the percentage of factories having rest shelters in the industry, as a whole, was quite insignificant (i.e., 2.1).

5.5. *Creches*

Only about 7.8 per cent. of the factories employed women and that too in small proportion. Consequently, none of them was under a statutory obligation to maintain a creche and none was found to have done so either.

5.6. *First-aid Boxes*

Under the Factories Act, 1948, the employers are required to maintain first-aid boxes at a prescribed scale and having the prescribed contents. The Survey results show that all the factories surveyed in the industry maintained first-aid boxes. However, in regard to contents, only about 54 per cent. of those having such boxes were found to be keeping the prescribed items. Barring a few factories (5.8%), everywhere first-aid boxes were readily accessible.

The law requires that such boxes should be kept under the charge of trained first-aiders. But the Survey results indicate that only 36 per cent. of the factories had complied with this requirement. In all these factories, the trained first-aiders were holding the diploma of the St. John Ambulance.

5.7. *Ambulance Rooms*

The Factories Act, 1948, imposes responsibility on the employers to maintain an ambulance room if they employ 500 or more workers. It is estimated that about 80 per cent. of the large factories (or 6% of the total factories in the industry) were legally bound to provide ambulance rooms. However, only half of them had actually complied with the provisions of the law.

5.8. *Other Medical Facilities*

Except for first-aid boxes and ambulance rooms, the law does not require employers to provide any other medical facility. However, it was found that one of the large factories surveyed maintained a dispensary which was under the charge of a full-time doctor assisted by other ancillary staff. The contract labour employed in this factory was also entitled to receive the same medical facilities as were available to directly employed workers.

One small factory had entered into a contract with a local medical practitioner for attending to workers in the event of accidents or even for minor ailments.

(b) NON-OBLIGATORY

5.9. Recreation Facilities

It is estimated that about 17 per cent. of the factories in the country had made arrangements for recreation of their employees or for cultural programmes. The proportion of establishments making such arrangements was higher in the case of large factories (60%) as compared to small factories (12.5%). In two-thirds of the concerned large factories, arrangements existed for out-door games, radio sets and dramas. Half of them also provided in-door games and also arranged for film shows. Religious and social functions like 'Vishva Karma' and 'Ayudha Puja' were celebrated in all the large factories. On the other hand, the range of activities was quite limited in the case of small factories. All of them were found to be arranging only some religious functions or picnics. In about 88 per cent. of the factories making arrangements for recreation or organising cultural programmes, the cost was being met through *ad hoc* contributions by the managements and in the rest from welfare funds. In most of the factories, recreation activities were organised and administered directly by the managements but in a few, such activities were also organised and managed by Committees set up for the purpose and having representatives of both workers and employers.

5.10. Educational Facilities

Arrangements for the education of workers' children were found to be almost non-existent in the Textile Machinery and Accessories Industry. Of the factories visited, one large factory was reported to be running a primary as well as a higher secondary school. In both these institutions, fee was being charged from the students. The managements of one large factory stated that they paid school fees of workers' children. However, the discretion for payment was with the management. No factory was running any adult education centre.

5.11. Other Facilities

(a) *Transport Facilities*—None of the factories covered was found providing free or concessional transport facilities to their workers.

(b) *Co-operative Credit Societies*—Co-operative Credit Societies were found to be existing in only two of the large factories covered in the course of the Survey, representing about 4 per cent. of the total factories in the country. The object of the credit societies was to encourage thrift and prevent indebtedness among employees. In one of the two factories, any employee could become a member of the Society by purchasing a share of Rs. 10. Loans to the members were granted to the extent of ten times the value of the share held or Rs. 500 whichever was less. In the other factory, only permanent employees could become members of the co-operative society. Any permanent employee could become a member either by purchasing a share of Rs. 10 or by offering a monthly contribution of one rupee till the amount of subscription reached the mark of Rs. 10 when the whole sum was converted into a share. There was no maximum limit of shares which an individual could hold but the capital amount of shares was limited to Rs. 50,000 only. Loans to a member were granted up to ten times the value of shares held subject to a maximum of Rs. 1,000 or his six months'

pay, whichever was less, at the discretion of the Managing Committee. The loans were recoverable in 6 to 12 monthly instalments.

5.12. Housing

The Survey results show that only 60 per cent. of the large factories (or 6 per cent. of the total factories) provided housing accommodation to their workers. No such facility was provided by small factories. The following Statement shows the details regarding the type of accommodation provided, rent charged, etc:

STATEMENT 5.2

Estimated Proportion of Textile Machinery and Accessories Factories Providing Housing Accommodation to Their Employees in 1961

Site	Number of factories	Percentage of factories providing houses	Estimated number of houses provided	Percentage of houses with living accommodation	
				One room	Two rooms
(i)	(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories ..	22	60.0	1,989	44.9	46.0
(b) Small Factories ..	193	..	..	..	..
All Factories ..	215	6.1	1,989	44.9	46.0

Size	Percentage of houses with living accommodation	Percentage of factories which charged			Percentage of workers allotted housing accommodation
		Three rooms or more	Rent from all	No rent from all	
(i)	(vii)	(viii)	(ix)	(x)	(xi)
(a) Large Factories ..	9.1	33.3	33.3	33.4	9.6
(b) Small Factories ..	..	..	..	..	..
All Factories ..	9.1	33.3	33.3	33.4	7.7

Of the total number of houses provided, about 45 per cent. consisted of one-room tenements, 46 per cent. two-room tenements and the rest three rooms or more. The last type of accommodation was generally allotted to officers. One of the factories did not charge any rent and in others the rent charged varied from Rs. 20 to Rs. 50 per month according to the plinth area. Clerical and supervisory staff were mostly given two-room accommodation and they were charged rent between Rs. 10 and Rs. 25 per month. One-room tenements were usually given to production workers and watch and ward staff. One-third of the factories providing one-room accommodation did not charge any rent, while others charged Rs. 3 to Rs. 13 per month. In one of the factories providing housing accommodation, the benefit was available to permanent workers alone and in all others to all workers. The statistics further show that the proportion of workers housed was small being roughly 8 per cent. in the industry, as a whole, indicating that the facility was available to only a restricted number of employees.

CHAPTER VI

SOCIAL SECURITY

Before Independence, industrial workers in India enjoyed only a limited measure of social security. It was mainly in the form of Workmen's Compensation Act passed by the Central Government and the Maternity Benefit Acts enacted by the State Governments. Since Independence, there has been a considerable enlargement of the scope and content of social security benefits, mainly as a result of enactment of the Employees' State Insurance Act and the Employees' Provident Funds Act and, to a certain extent, as a consequence of adjudication awards, etc. The following paragraphs describe briefly the position in textile machinery and accessories factories at the time of the Survey.

6.1. *Provident Funds*

The scheme framed under the Employees' Provident Funds Act, 1952 was put into force with effect from 1st November, 1952 initially in six industries, Textile Machinery and Accessories Industry being one of them. At its inception, the scheme applied only to those factories which employed 50 or more workers and had completed three years of existence. The employment limit was reduced to 20 with effect from 31st December, 1960. It is estimated that on 30th June, 1961, about 40 per cent. of textile machinery factories in the country had provident fund schemes and about 62 per cent. of the workers were their members. The position was much better in the case of large factories where all the factories surveyed had provident fund schemes and about 71 per cent. of their workers were members of the fund. In small factories, on the other hand, only one-third had provident fund schemes and 29 per cent. of their workers were found to be members.

Information collected regarding the date of introduction of provident fund schemes in various factories covered shows that prior to the enactment of the Employees' Provident Funds Act, 1952, only two large establishments, constituting about 8 per cent. of factories in the industry, had such schemes. These two factories were allowed to continue their old schemes even after the Act came into force but their scope was enlarged to cover those employees also who came within the purview of the Act. In one of them, according to their old scheme, only permanent workers were entitled to become members of the fund and the rate of contribution for both employers and employees was $8\frac{1}{2}$ per cent. of wages. With the enactment of the Employees' Provident Funds Act, the benefit was extended to other employees also and their rate of contribution was $6\frac{1}{4}$ per cent. of wages. In the other factory, the original scheme covered only those employees who were getting above Rs. 500 per month and had completed one year's service. The rate of contribution was $6\frac{1}{4}$ per cent. of wages and the employer also paid an equal sum. In this establishment also, the employees who were not covered under the original scheme were covered under the Provident Funds Act, 1952. Thus, the extensive nature of the benefit now enjoyed by workers in this industry is apparently due to the enactment of the Employees' Provident Funds Act.

Apart from the schemes mentioned above everywhere else provident funds existed only under the Employees' Provident Funds Scheme. Consequently, the qualifying conditions, rate of contribution, etc., were uniform and were the same as prescribed under the Scheme. That is, membership was open to all those employees who were receiving up to Rs. 500 per month and had completed a continuous service of one year. The rate of contribution of employees was $6\frac{1}{4}$ per cent. of their basic wage and dearness allowance including cash value of food concessions, if any, and an equal sum was being contributed by employers.

One of the small factories, constituting about 4 per cent. of the total factories in the country, had a General Provident Fund Scheme for clerical and supervisory staff only and for those who had completed one year's service. The scheme was non-contributory i.e., the employer contributed nothing and only the members were required to pay $6\frac{1}{4}$ per cent. of the basic wage and dearness allowance per month. The unit in question was a Government undertaking.

6.2. *Pension*

With the exception of only one small Government-owned factory, no other factory surveyed was found to be having any scheme for paying pension to its employees. In this factory, only clerical and supervisory staff who had put in 10 years of service or more were entitled to pension under the Government Pension Rules.

6.3. *Gratuity Schemes*

Information collected in the course of the present Survey shows that, of the factories visited, the system of paying gratuity to workers on death, retirement, resignation or termination of service by the employer existed in one large factory only. The scheme was reported to be on a regular basis. The gratuity was payable to all workers at the rate of half a month's salary (excluding allowances) for each completed year of service. No qualifying conditions were prescribed for entitlement to gratuity except in the case of voluntary retirement or resignation in which event completion of 12 years of continuous service was essential.

6.4. *Maternity Benefits*

In the course of the Survey, no information could be collected regarding maternity claims paid by the Employees' State Insurance Corporation. However, an attempt was made to obtain similar information from the sampled establishments which were situated in non-implemented areas. In these units, no case of any payment of maternity benefit was reported by the managements. It may be due to the fact that only a few factories employed an insignificant proportion of women workers.

6.5. *Industrial Accidents*

According to the data collected in the course of the Survey, it is estimated that during 1960 accidents occurred in about 21 per cent. of the textile machinery and accessories factories in the country.

The frequency rate of accidents per thousand workers, based on the estimate of average daily number employed during 1960, as also distri-

bution of workers involved by nature of accidents, are given in Statement 6.1.

STATEMENT 6.1

Estimated Proportion of Workers Involved in Accidents by Nature of Accidents During 1960

Size		Estimated average daily employment in 1960	Number of workers involved in accidents per 1,000 workers employed resulting in			
			Death	Permanent disability	Temporary disability	Total
(i)		(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories	..	16,817	..	1.6	139.4	141.0
(b) Small Factories	..	5,055	..	3.0	30.6	33.6
All Factories	..	21,872	..	1.9	114.3	116.2

It will be seen from the above Statement that the frequency rate of accidents in the industry, as a whole, was about 116 per thousand workers employed. This rate was higher in large factories (141 per thousand) as compared to small factories (34 per thousand). As regards the nature of accidents, none of the units surveyed reported any fatal accident. Excepting a few accidents in both the groups which had resulted in permanent disabilities, in all other cases persons involved suffered only temporary disabilities. None of the units surveyed reported any occupational disease afflicting their workers.

CHAPTER VII

INDUSTRIAL RELATION

Separate statistics relating to the number and nature of industrial disputes in the Textile Machinery and Accessories Industry are not available and hence it is not possible to comment on the state of industrial relations in the industry. However, in the course of the Survey, information was collected on certain aspects relating to industrial relations, e.g., extent of development of trade unionism and the arrangements existing in the establishments for promoting close contacts and cordial relations between labour and managements. The findings are discussed in the subsequent paragraphs.

7.1. Trade Unionism

The information collected shows that not many textile machinery and accessories factories had trade unions. The percentage of such factories is estimated to be only 16. However, from the point of view of proportion of workers who were members of unions, the position was better. It is estimated that in the industry, as a whole, about 44 per cent. of the workers were members of unions. The details regarding the extent of unionism in the Textile Machinery and Accessories Industry are given in the following Statement.

STATEMENT 7.1

Extent of Trade Unionism in Textile Machinery and Accessories Industry in 1961

Size		Number of factories	Estimated percentage of factories where workers were members of trade unions	Estimated number of workers in the industry as on 30-6-61*	Estimated percentage of workers who were members of trade unions as on 30-6-61	Estimated percentage of factories having unions and recog- nising them
(i)		(ii)	(iii)	(iv)	(v)	(vi)
(a) Large Factories	..	22	80.0	21,083	52.9	75.0
(b) Small Factories	..	193	8.3	5,395	10.3	100.0
All Factories	..	215	15.7	26,478	44.2	86.9

* Figures relate to workers covered under the Factories Act.

It will be noticed that trade unionism had developed more in large factories as compared to small ones. About 80 per cent. of them had unions and nearly 53 per cent. of their employees were members of unions, the corresponding percentages for small factories being 8 and 10 respectively.

Two unions existed in only one of the large factories covered in the Survey. Of the factories where unions existed, managements of nearly 87 per cent. had granted recognition. Curiously enough, the percentage of factories according recognition was higher among small establishments.

The main reason given by the employers for not according recognition to unions was the existence of two rival unions in the factory. It was contended by them that if they recognised any of the unions, the step was likely to result in labour unrest and thereby affect production.

By and large, the main activity of the unions in the industry was securing of claims of their members under various Labour Acts. In addition, nearly 56 per cent. of the unions in the country were giving financial assistance to distressed members in times of need and about 46 per cent. provided some recreation facilities to members in the form, of dramas and picnics. None of the unions was running any adult education centres.

7.2. *Agreements*

In the course of the present Survey, information was collected regarding agreements affecting terms and conditions of service concluded between employers and workers since 1956. The results show that such agreements were concluded in about 8 per cent. of the factories in the industry, as a whole. This percentage is composed of two large factories, where agreements were concluded once only and one small factory, where agreements were concluded twice since 1956. The issues settled mostly related to wages, dearness allowance, bonuses, gratuity, leave and holidays with pay and without pay, uniforms, etc.

7.3. *Standing Orders*

Under the Industrial Employment (Standing Orders) Act, 1946, framing of standing orders is obligatory for only those establishments which employ 100 or more workers but power is conferred on State Governments to extend the provisions of the Act to establishments having lesser employment. In the course of the Survey, it was found that all the sampled factories employing 100 or more workers had framed standing orders. In addition some of the small factories, which were not under any statutory obligation, had also framed standing orders. Thus, it is estimated that the percentage of factories having standing orders in the country, as a whole, was about 16. In only about three-fourths of the factories, the standing orders were certified. Except in about 37 per cent. of the factories, where the standing orders applied only to production workers, elsewhere they covered all workers.

7.4. *Labour and Welfare Officers*

With a view to enabling employers to have better arrangements for personnel management and to help them in ensuring proper implementation of labour laws, a specific provision has been made in the Factories Act requiring all factories employing 500 or more workers to appoint a Welfare Officer. The rules framed by the State Governments under the Act prescribe the functions and the duties of these officers, which are generally as follows: (a) to promote harmonious relations between workers and the management and to act as a liaison officer between them, (b) to attend to grievances of workers and secure their redress, (c) to advise management with a view to ensuring compliance with the provisions of the Acts relating to health, safety and welfare of workers, (d) to assist in formation of Works Committee or Committees relating to production, safety or welfare, and (e) to organise and supervise welfare activities.

It is estimated that in the Textile Machinery and Accessories Industry the percentage of factories which employed 500 or more workers and thus were under a statutory obligation to appoint Welfare Officers was only about 6. The Survey results indicate that all such factories had appointed

full time Welfare Officers as required under the law. Welfare Officers usually stated that their functions were the same as prescribed in the rules framed by the State Governments under the Factories Act.

7.5. *Works and Joint Committees*

Under the Industrial Disputes Act, 1947, constitution of Works Committees is obligatory for those industrial establishments which employ 100 or more workers. Some of the State laws which were in force at the time of the Survey also provided for the constitution of Joint Committees in certain types of establishments. The main idea behind the formation of such committees is to provide a forum for mutual discussion of matters concerning day-to-day relationship between employers and employees so that sources of friction could be eliminated in their initial stages and thus good relationship between the two parties could be ensured.

It is estimated that at the time of the Survey nearly 12 per cent. of the factories in the industry were under a legal obligation to constitute Works Committees. Of these, only about 34 per cent., all of which were large establishments, had complied with the requirements. Half of the existing Works Committees were found to be consisting of an equal number of representatives of managements and workers and they met only once after their formation. The items discussed in the meetings could not be ascertained as records were not available. The remaining Works Committees were reported not to have met at all. Thus, in all cases, the working of the Committees appears to be unsatisfactory. Of those factories, which were required to constitute Works Committees and had not done so, the managements of a few stated that since relations between managements and trade unions were cordial and workers' grievances were attended to the necessity of forming Works Committees was not felt. Others simply said that no necessity of forming such a committee was ever felt by them.

7.6. *Other Committees*

None of the factories covered had constituted any other committees, viz., production, welfare, safety, etc.

7.7. *Grievance Procedure*

Except for the provisions contained in the standing orders, wherever they existed, hardly any of the establishments surveyed was found to have prescribed any definite procedure for the redress of the grievances of workers. In small factories, workers generally approached the proprietor or the manager direct. But in large factories, the grievances were initially heard by the incharges of sections and the complainant approached the higher officers only when not satisfied with their decisions. Where Welfare or Labour Officers had been appointed, workers' grievances were attended to by them.

7.8. *Association of Workers With the Management of the Unit*

In none of the factories surveyed, workers associated themselves with the management of the unit.

CHAPTER VIII

LABOUR COST

In the course of the Survey, information pertaining to labour cost was collected in respect of those employees in the sampled establishments who were covered under the Factories Act and were receiving less than Rs. 400 per month as wages. This was in pursuance of the decision taken by the Study Group on Wage Costs appointed by the Ministry of Labour and Employment in 1959. The enquiry pertaining to labour cost was modelled on the lines of the "Study of Labour Cost in European Industry", made by the International Labour Office in 1956, with such modifications as were necessary in the light of conditions in India. For instance, in view of the fact that in India wages are paid on the basis of 'day' instead of 'hours' as in European countries, the data were collected for the mandays and not man-hours. Similarly, it was found in the course of the pilot enquiry that, but for a very few exceptions, none of the establishments maintained any separate records of premium payments made for leave or holidays or for days not worked and hence these were dropped as separate items and included under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group referred to above or for eliciting separate information on some of the items on which employers have to incur expenses under the labour laws in force in the country e.g., lay-offs, washing facilities, etc.

The Survey was launched in July, 1961 and was completed in August, 1962. With a view to forming a better estimate of labour cost, salaries and allowances, etc., of those persons who were employed in connection with any welfare item, amenity, etc., even though they were covered under the Factories Act and were receiving less than Rs. 400 per month, were not included in the general head "wages". Expenses incurred in connection with such persons were recorded against the item for which they were employed. Similarly, the mandays of such persons were also excluded. For purposes of collecting labour cost data, the field staff was instructed to obtain figures of expenditure incurred by the employers during the calendar year 1960. However, where the financial year of the sampled units was found to be other than the calendar year 1960 or where the account books for the specified period were found to be not ready or available for some reasons, the field staff was permitted to take the information for the latest year for which it was available, subject to the condition that at least major part of 1960 was covered. The information, thus, collected from different units relates to twelve months period ranging from January, 1960 to June, 1961. In majority of the cases it was possible for the field staff to collect data for year 1960. In others, however, a major portion of the year was covered. Thus, the information given here can be treated to relate to the year 1960.

8.1. *Labour Cost Per Manday Worked*

On the basis of the data collected it is estimated that the labour cost per manday in the industry during 1960 was Rs. 5.75. It was higher by about 40 per cent. in large factories as compared to small ones. The figure was Rs. 6.09 in the case of large factories and Rs. 4.34 in the case of small factories.

8.2. Components of Labour Cost

The following Statement 8.1 shows the labour cost per manday worked by various components in the Textile Machinery and Accessories Industry.

STATEMENT 8.1

Estimated Labour Cost Per Manday Worked by Components in 1960

(In Rupees)

Size		Wages	Premium pay for overtime and late shifts	Bonuses	Other cash payments	Payments in kind	Social security contributions	
							Obliga- tory	Non- obliga- tory
(i)		(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
(a) Large Factories	..	5.39 (88.51)	0.03 (0.49)	0.03 (0.49)	0.03 (0.49)	0.01 (0.17)	0.32 (5.25)	*
(b) Small Factories	..	3.65 (84.10)	0.03 (0.69)	0.19 (4.38)	0.02 (0.46)	0.01 (0.23)	0.12 (2.77)	..
All Factories	..	5.05 (87.83)	0.03 (0.52)	0.07 (1.22)	0.03 (0.52)	0.01 (0.17)	0.28 (4.87)	*

Size		Subsidies	Welfare centres non- obligatory	Direct benefits	Pay- ments related to labour	Others	Total
(i)		(ix)	(x)	(xi)	(xii)	(xiii)	(xiv)
(a) Large Factories	..	0.15 (2.46)	..	..	0.07 (1.15)	0.06 (0.99)	6.09 (100.0)
(b) Small Factories	..	0.05 (1.15)	..	..	0.27 (6.22)	*	4.34 (100.0)
All Factories	..	0.13 (2.26)	..	..	0.11 (1.91)	0.04 (0.70)	5.75 (100.0)

NOTE—Figures in brackets are percentages to total in col. (xiv).

*Indicates that the expenditure was less than Re. 0.005 per manday worked.

8.2.1. Wages

The term 'wages' includes basic wage, dearness allowance, incentive/production bonus and attendance bonus. The Bureau very much desired to collect data under this head in respect of mandays actually worked as well as for the mandays not worked but paid for. However, in the course of the pilot enquiry it was found that most of the employers did not maintain separate records of payments made for the days worked and for leave and holiday periods. Consequently, there was no alternative but to record sums paid for the days worked, as well as for the days not worked but paid for.

Of the various components, 'wages' alone accounted for about 88 per cent. of the total labour cost in the industry, as a whole. Its proportion was higher (88.5 %) in large factories than in small ones (84.1 %).

The Statement 8.2 below shows the break-up of the figures of "wages" according to components viz., basic wages (including dearness allowance, production or incentive bonus and attendance bonus.

STATEMENT 8.2
Estimated Break-up of Wage Cost by Components

(In Rupees)

Size	Basic wages and dearness allowance	Incentive/ Production bonus	Attendance bonus	Total
(i)	(ii)	(iii)	(iv)	(v)
(a) Large Factories ..	4.79 (88.87)	0.60 (11.13)	..	5.39 (100.0)
(b) Small Factories ..	3.65 (100.0)	..	..	3.65 (100.0)
All Factories ..	4.57 (90.50)	0.48 (9.50)	..	5.05 (100.0)

NOTE—Figures in brackets are percentages to total in col. (v).

From Statement 8.2 it will be seen that under the group "Wages", basic wages and dearness allowance alone accounted for 90.5 per cent of the total and incentive or production bonus for the rest. In small factories, the whole of the cost in this group was claimed by basic wages including dearness allowances.

8.2.2. Premium Pay for Overtime and Late Shifts

Under this head, only the premium part of the payments made for overtime or late shift working was taken into account. For example, if a worker was paid one and a half times his normal rates of wages for working late hours, only the extra amount paid to him i.e., one-half in this case, was treated as the premium pay. This element of payment constituted only 0.52 per cent. of the total labour cost in the industry.

8.2.3. Bonuses

Under this head, data were collected in respect of payments made on account of festival and year-end bonus paid to employees. It constituted 1.22 per cent. of the total labour cost in the industry, its proportion being higher in small factories as compared to large ones.

8.2.4. Other Cash Payments

The figures given in the Statement 8.1 show that 'other cash payments' constituted only 0.52 per cent. of the total labour cost and were attributable to gratuity payments, travelling allowance, special allowance, car allowance and house rent allowance.

8.2.5. Payments in Kind

This element of payment constituted a very negligible proportion of the total labour cost (i.e., 0.17%) and expenses in this account related to supply of food articles to workers in a few factories.

8.2.6. Social Security Contributions

Social security contributions formed a most important element of labour cost, next only to 'wages', and constituted 4.87 per cent. of the total labour cost in the industry. Information in respect of this element of labour cost was collected under two heads: (a) obligatory—i.e., those expenses which the employers were required to incur under certain labour laws, and (b) non-obligatory—i.e., those expenses which the employers were making on a voluntary basis. The expenses incurred on the latter were so negligible that they have not been reflected in the overall figures given in the Statement. The following Statement 8.3 shows the estimated cost of obligatory social security contributions under each item for which information was collected.

STATEMENT 8.3

Estimated Cost of Obligatory Social Security Contributions Per Manday Worked

(In Rupees)

Size	Provident fund	Retrenchment compensation	Lay-off compensation	Employees' State Insurance Contributions	Compensation for	
					Employment injury	Occupational diseases
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
(a) Large Factories ..	0.25 (78.13)	..	..	0.06 (18.75)	0.01 (3.12)	..
(b) Small Factories ..	0.08 (66.67)	*	..	0.04 (33.33)	*	..
All Factories ..	0.22 (78.57)	*	..	0.06 (21.43)	*	..

Size	Maternity benefits	Dependants allowance	Others	Total	Percentage to the total labour cost
	(viii)	(ix)	(x)	(xi)	(xii)
(a) Large Factories	0.32 (100.0)	5.25
(b) Small Factories	0.12 (100.0)	2.77
All Factories	0.28 (100.0)	4.87

NOTE—Figures in brackets are percentages to total in col. (xi).

*Indicates that the expenses were less than Re. 0.005 per man-day worked.

It will be seen from Statement 8.3 that the labour cost on account of obligatory social security contributions mainly consisted of provident fund (78.57%) and Employees' State Insurance Contributions (21.43%). Only a few factories covered reported a small expenditure in the form of retrenchment compensation and on account of industrial accidents, but as the amounts were small they have not been reflected in the overall figures given in Statement 8.3.

8.2.7. Subsidies

Expenses recorded under the head 'Subsidies' related to amounts spent by employers in providing various types of facilities and services to their employees and members of their families. These included Medical and Health Services, Canteens, Restaurant and Other Food Services, Company Housing, Building Fund, Credit Unions and Other Financial Aid Services, Creches, Educational Services, Cultural Services (Library, Reading Room, etc.), Recreation Services (Clubs, Sports, Cinema, Theatre, etc.), Transport, Sanitation (at work places), Drinking Water Facility, Vacation Homes, etc. The amounts recorded were net payments made, including depreciation, but excluding capital expenditure.

In the course of the pilot enquiry it was experienced that employers did not maintain separate records for the above mentioned items or the expenses incurred related not only to persons falling within the scope of the study but also to others. Due to these limitations, the field staff was asked to obtain estimates from employers wherever separate data were not available. In case any expenses were incurred on workers covered by the study as well as on other employees, the amount was estimated on the basis of the proportion which the persons covered under the study formed to the total employees. The following Statement 8.4 shows the cost of subsidies per manday worked in the industry.

STATEMENT 8.4

Estimated Cost of Subsidies Per Manday Worked

(In Rupees)

Size	Medical and health services	Canteens	Restaurant and other food services	Company housing	Creches	Cultural services	Recrea- tion services
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
(a) Large Factories	0.02 (13.33)	0.08 (53.33)	..	*	..	..	*
(b) Small Factories	*	..	..	..	..	..	0.01 (20.00)
All Factories	0.01 (7.69)	0.07 (53.85)	..	*	..	..	*

STATEMENT 8.4—*contd.*

Size	Transport	Sanitation	Drinking water	Building Fund, credit unions, educational services, vacation homes and other family services	Others	Total	Percentage of subsidies to total labour cost
(i)	(ix)	(x)	(xi)	(xii)	(xiii)	(xiv)	(xv)
(a) Large Factories	..	0.02 (13.33)	0.01 (6.67)	0.01 (6.67)	0.01 (6.67)	0.15 (100.0)	2.46
(b) Small Factories	..	0.02 (40.00)	0.01 (20.00)	..	0.01 (20.00)	0.05 (100.0)	1.15
All Factories	..	0.02 (15.39)	0.01 (7.69)	0.01 (7.69)	0.01 (7.69)	0.13 (100.0)	2.26

NOTE—Figures shown in brackets are percentages to total in col. (xiv).

*Indicates that the expenditures were less than Re. 0.005 per manday worked.

Expenses on account of subsidies formed 2.26 per cent. of the total labour cost in the industry. The highest expenditure was on canteens constituting about 54 per cent. of the total expenses under the group, followed by sanitation (15.39%). Only a few units spent very little on Company Housing and Recreation Services. These have, therefore, not been reflected in the overall figures.

8.2.8. Payments Related to Labour Cost

Under this group, expenses relating to recruitment, vocational training, apprenticeship and on the job medical services were recorded. A perusal of Statement 8.1 (col. xii) will show that this element constituted only 1.91 per cent. of the total labour cost in the industry. The main items of expenditure under this group were apprenticeship and training (96.6%) and on the job medical services (3.3 %) and the balance was attributable to the cost of recruitment.

8.2.9. Others

Under this head, only those expenses which could not be grouped under any of the heads or sub-heads of the labour cost items were recorded. Some of the employers reported some expenditure on protective equipments, uniforms, etc. All these were recorded under the head "others". This element accounted for 0.7 per cent. of the total labour cost in the industry.

CHAPTER IX

SUMMARY OF CONCLUSIONS

The Textile Machinery and Accessories Industry is a relatively nascent industry of the country and has developed mostly since 1951 after the country embarked upon planned economic development. In the year 1951, there were 111 registered factories in the country employing about 6,000 persons. By the end of 1961, the number of registered factories rose to 298 with an average daily employment of about 22,000, thus recording a rise of more than one and half times in factories and two and half times in employment.

The data collected in the course of the Survey show that on 30th June, 1961, the estimated total number of persons employed in the industry was 26.8 thousand. Of these, nearly 88 per cent. were "Production and Related Workers". "Clerical and Related Personnel" constituted the next important group and accounted for 5.4 per cent. of the total, followed by "Watch and Ward and Other Services", which formed 3.7 per cent. of the total.

Almost the entire working force in the industry consisted of men. The proportion of women and contract labour was negligible and child labour was found to be entirely absent. The predominant system of payment was by time and it covered 97 per cent. of the workers in the industry.

Information collected in the course of the Survey in respect of employment status of production workers employed directly by managements shows that about 61 per cent. of workers in the industry were permanent and 10.5 per cent. were treated as temporary. Casual workers formed about 17 per cent. of the total.

About 70 per cent. of production workers in the industry had less than 5 years' service to their credit and about one tenth had put in 10 or more years' service. Persons having longer service were mostly employed in large establishments. The higher proportion of workers with shorter length of service in the industry, as a whole, seems to be largely due to the fact that most of the textile machinery factories were of a recent origin. Such a conclusion is supported by a somewhat low rate of labour turnover in the industry. The accession and separation rates were of the order of 5 and 4 per cent. respectively during the twelve months ending 30th June, 1961.

The average absenteeism rate in the industry during the same period was 11.4 per cent. The monthly rates reflected the usual pattern of higher absences during summer months and sowing and harvesting seasons.

There has been no standardisation of wages in the industry on a country-wide basis. Everywhere the wage structure was, generally, found to be based on individual bargaining. It is estimated that since 1956 wage revisions affecting majority of the workers took place in nearly 8 per cent. of the factories and that too once only. Nearly half of the wage revisions were due to Pay Commission's recommendations in public undertakings

The estimated average daily earnings of workers in textile machinery and accessories factories in the country were Rs. 5.44 in June, 1961. Similar figures in respect of men, women and the lowest-paid production workers are estimated to be Rs. 4.53, Rs. 1.76 and Rs. 3.05 respectively. Women were found to be employed as packers in only one small factory. No men were employed as packers. Considerable disparities existed between the earnings of workers employed in factories of different size-groups. The average daily earnings of clerical and related employees and those belonging to the group 'watch and ward and other services' were Rs. 8.21 and Rs. 4.21 respectively in June, 1961.

Information collected in the course of the Survey in respect of main components of earnings shows that basic earnings (i.e., basic wages and dearness allowance) constituted nearly 91 per cent. of the total earnings. The other material component was production or incentive bonus which accounted for 7.5 per cent. The rest was made up of house rent or transport allowance and overtime pay.

There was no profit-sharing scheme in any of the factories covered. However, year-end bonus and festival bonus was being paid in 13 and 42 per cent. of the factories respectively.

With the exception of about 2 per cent. of the factories in the country, where some laxity in the observance of timings was noticed, all were found to be generally complying with the provisions of the law concerning hours of work, rest-interval and spread-over. About 56 per cent. of the factories worked one shift only, 34 per cent. two shifts and the rest had three shifts a day. Only about 17 per cent. of the factories worked night shifts and in about three-fourths of them, there was a regular system of change-over of workers from one shift to another. The system of providing certain amenities or paying cash allowance to night shift workers was not very widespread in the industry. However, quite a large number of factories had prescribed shorter hours of work for night shifts.

About two-thirds of the factories had made suitable arrangements for sitting for all such workers as were obliged to work in a standing position.

Nearly 96 per cent. of the factories surveyed were found to have provided latrines and the defaulters were all small establishments. Though the types of arrangements made varied considerably but a majority of them had provided modern sanitary arrangements. In most of the factories, the privies were properly screened but only about 71 per cent. of them had provided taps near the latrines. The compliance of the law in regard to urinals, however, was not as good. Such arrangements were found to have been made in only about 31 per cent. of the factories. In about three-fourths of the factories providing latrines and urinals, the sanitary condition was found to be satisfactory.

All the factories surveyed were granting earned leave with pay to their employees. However, in about 11 per cent. of the units workers were not actually granted leave but were paid wages *in lieu* of leave due to them. Data collected regarding the number of workers who availed of leave show that during the year 1960 about 64 per cent. of the workers enjoyed leave and about one-third of them took 11 to 15 days' leave.

The system of granting casual leave with pay was found to be in vogue in about one-fourth of the factories in the industry. However, the

number of days allowed and the categories of employees entitled to leave generally differed from one factory to another.

Managements of only about 12 per cent. of the factories were granting sick leave with pay to their employees and all such factories were situated in areas where the Employees' State Insurance Scheme was not in force. As in the case of casual leave, the type of workers who were entitled to sick leave and the period of leave granted varied from one factory to another.

It is estimated that the practice of granting national and festival holidays with pay existed in nearly 89 per cent. of the factories. The number of holidays allowed in a year ranged from 1 to 14, but nearly three-fourths of the factories granted holidays up to five days.

All the factories surveyed were found to have provided drinking water facilities for their employees. The predominant arrangement was earthen pitchers. About 90 per cent. of the factories also stated that they made some arrangements for the supply of cool drinking water during summer months. These arrangements were mostly in the form of earthen pitchers and only a few large factories installed coolers during summer days.

Canteens were found to be functioning in all the establishments which were under a statutory obligation to do so. About three-fourths of these canteens were being run by the contractors and items were sold at market rates. The rest were run departmentally on a 'no-profit, no-loss basis'. Generally, these canteens sold tea, coffee and snacks but about half of them served meals as well. The hygienic conditions and location of about half of the canteens were not satisfactory. It was found that provisions of the law concerning rest shelters were being complied with by large factories but not by small establishments.

First-aid boxes were being kept in all the factories in the industry but in only 54 per cent. of the cases, they were found to be containing the prescribed contents and in about 36 per cent. of factories, they were under the charge of trained first-aiders. Ambulance rooms were being maintained by about half of the factories which were under a statutory obligation to do so. Not much attention was being paid to the provision of recreation and cultural facilities to workers as such facilities existed in about 17 per cent. of factories only. The scope of activities was wider in large factories as compared to small ones. While the former had arrangements for in-door and out-door games, film shows, dramas and/or cultural and religious functions, the latter organised only religious functions and picnics.

Arrangements for the education of workers' children existed in only one large factory covered during the Survey. None of the factories surveyed had made any arrangements for adult education.

Only two of the large factories surveyed had co-operative societies, giving an overall percentage of 4 for the entire country.

The information collected on housing shows that nearly 6 per cent. of the factories in the industry were providing housing accommodation to their employees. However, the benefit was not very extensive, as only about 8 per cent. of the workers were housed.

The security against the contingency of old age which the workers in the industry enjoy, seems to be entirely due to the Employees' Provident

Funds Act, 1952. Provident fund schemes existed in about 40 per cent. of the factories in the industry and it is estimated that about 62 per cent. of workers were members of the funds as on the 30th June, 1961.

A pension scheme existed in only one small Government-owned factory covered in the course of the Survey. Similarly the system of paying gratuity existed in one large factory only.

It is estimated that in 1960 industrial accidents occurred in about 21 per cent. of the textile machinery and accessories factories in the country and the proportion of workers involved in accidents was about 116 per thousand employed. Of these, about 114 workers per thousand were involved in minor accidents causing only temporary disabilities. No case of occupational diseases were reported by any of the factories covered.

According to the findings of the Survey, it is estimated that trade unions existed in about 16 per cent. of the factories in the country and about 44 per cent. of workers were members of the unions. Managements of about 87 per cent. of the factories having unions had accorded recognition. By and large, the main activity of the unions was confined to securing of claims of their members under various labour Acts. Some of them also provided recreation facilities and gave financial assistance to distressed members in times of need.

There was little evidence of the growth of the system of collective bargaining and agreements as during the period 1956 to 1961, such agreements were concluded in only about 8 per cent. of the factories in the industry.

All the covered factories which employed 100 or more workers had framed standing orders. In addition, a few more factories, which were not under any legal compulsion, had also framed such orders. Thus, it is estimated that, at the time of the Survey, about 16 per cent. of the factories had standing orders. In about two-thirds of the factories, these orders covered all workers.

All the sampled factories employing 500 or more workers had appointed Welfare Officers.

Only about one-third of the factories which were under a legal obligation to constitute Works Committees had complied with the requirements. No other committee of the type was found to be functioning in any of the establishments surveyed.

Information collected regarding the system of settling grievances of workers in the industry shows that very few factories had made any systematic arrangement.

Data relating to labour cost in respect of persons covered under the Factories Act and receiving less than Rs. 400 per month show that during the year 1960, the labour cost in the industry per manday worked was Rs. 5.75. The cost was as high as Rs. 6.09 per manday worked in large factories as against Rs. 4.34 in small establishments. Wages, i.e., basic wages dearness allowance and incentive payments, constituted the main component and accounted for nearly 88 per cent. of the total labour cost. Its proportion was higher in large factories (88.5%) than small ones (84.1%). Social security contributions and subsidies accounted for 4.87 and 2.26 per cent respectively.

APPENDIX

A Brief Note on the Sample Design and the Method of Estimation Adopted

1. Sample Design

For the Survey of Labour Conditions, a stratified sampling design with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas, was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Units in each industry/regional stratum were divided into two size-groups i.e., upper and lower. The cut-off point used for the classification of units into two size-groups was the same as used for the Wage Census conducted by the Bureau in 1958-59. However, in the case of this industry there was no regional stratification and sample units were selected from the All-India list.

In regard to sample size, it was thought that a sample of 25 per cent from the upper size-group and 12½ per cent. from the lower size-group would yield reasonably good results. However, the experience of earlier Surveys had shown that in view of non-availability of up-to-date frames, quite a large number of sampled establishments were found to have ceased functioning or to have changed the line of production when they were visited. In order to safeguard against undue shrinkage of the sample size due to such contingencies, it was decided to enlarge the sample size suitably in the light of the experience of the Wage Census conducted by the Bureau and on the basis of a study of closures of establishments in the past few years as revealed from the annual list of registered factories. In the case of Textile Machinery and Accessories factories, the sampling fraction, thus, ultimately adopted was 27.3 per cent. for the upper size and 15 per cent. for the lower size.

The primary sampling units, namely, registered factories, within an industry/regional stratum were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed a continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper-size class and the rest in the lower-size class. From these size-groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected in the case of Textile Machinery and Accessories factories was the list of Registered Factories for the year 1959.

2. Method of Estimation

In the course of this Survey, various characteristics were studied, some of which were correlated with employment whereas there were others which were not so correlated. Consequently, slightly different methods were used for working out estimates for these two cases. For estimating the totals of those characteristics which are highly correlated with employment such as absenteeism, labour turnover, earnings, labour cost, ratio of total employment was used as the blowing-up factor. On the other hand, for estimating

the totals of those characteristics which are not directly correlated with employment such as, daily hours of work, units levying fines, etc., the ratio of units was used as the blowing-up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

More precisely, the estimates for the total (for all-India) of a particular characteristic not correlated with employment in the industry has been obtained as:

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum_i X_{i_u} + \frac{N_L - N'_L}{n_L - n'_L} \sum_i X_{i_L} \quad (1)$$

The summation extending over all the sampled units surveyed in the industry

Where $X =$ the estimated total of the x characteristic for the industry.

N_u and N_L = the number of units in the original population as featuring in the 1959 list, which was used as frame, in the upper and lower size-groups respectively of the industry.

N'_u and N'_L = the number of units which featured in the 1959 list but were not featuring in the list relating to the period more or less coinciding with the period of the Survey in the upper and lower size-groups respectively of the industry.

n_u and n_L = the total number of units in the sample (from 1959 list) in the upper and lower size-groups respectively of the industry.

n'_u and n'_L = the number of sampled units, which were found at the time of the Survey to be closed or to have changed the line of production and, hence, left out in the upper and lower size-groups respectively of the industry.

X_{i_u} and X_{i_L} = the total of the characteristic x in the i -th sample unit of the upper and lower size-groups respectively of the industry.

In the industry the estimate for the characteristic y correlated with employment is given by

$$Y = \frac{E_{N_u} - N'_u}{E_{n_u} - n'_u} \sum_i Y_{i_u} + \frac{E_{N_L} - N'_L}{E_{n_L} - n'_L} \sum_i Y_{i_L} \dots \dots \quad (2)$$

The summation extending over all the sampled units is surveyed in the industry.

Where Y = the estimated total of the characteristic y for the industry.

$E_{N_u} - N'_u$ and $E_{N_L} - N'_L$ = the total employment in 1959 in the $\overline{N_u} - N'_u$ and $N_L - N'_L$ Units respectively of the industry.

$E_{n_u} - n'_u$ and $E_{n_L} - n'_L$ = the total employment in 1959 in $n_u - n'_u$ and $n_L - n'_L$ sampled units respectively of the industry.

Yi_u and Yi_L = the total of the characteristic y in the i -th sampled unit of the upper and lower size-groups respectively of the industry.

